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Title: Need to provide financial assistance to cooperative sugar factories in Andhra Pradesh.

SHRI MUTHAMSETTI SRINIVASA RAO (AVANTHI) (ANAKAPALLI): In my State Andhra Pradesh 80 per cent of sugarcane cultivators under the Cooperative Sugar industries are small and marginal farmers. They grow sugarcane in their small holding and leased land from big farmers. Due to vagaries of monsoon, payment of higher lease rates, high cost of labour, non availability of labour (MGNREGA), higher cost of harvesting and transportation, growing sugarcane is not remunerative leading to decreased cane area and lower cane availability for crushing to run the sugar industry for a minimum duration of 130 days.

The cooperative sugar factories were established for the betterment of the livelihood of farming community in the State; and to provide employment for the rural folk to uplift their standard of living. With this ambition about 16 cooperative sugar industries were established. Out of this only 10 cooperative sugar industries are existing and out of these only six cooperative sugar industries are working with a lot of financial and technical problems. Out of six sugar industries, four industries come under my Anakapalle Parliamentary Constituency. They are Etikoppaka, Govada, Thandava and Thummapala.

With the launch of MGNREGA Programme, the only major crop affected is sugarcane as there is acute scarcity of labour. It coincides with sugarcane cultivation.

Due to lower realization from the sale of sugar and other byproducts, cane payments are not being made in full to the tune of FRP; and also transport incentives which were promised to the cane suppliers have not been made so far.

Therefore, I urge upon the Government to provide financial assistance to clear sugarcane price dues as grant; to provide financial assistance and continuation of grant of 40 per cent SDF loans to install co-generation facilities in all the co-op sugar factories to improve revenue generation; to fix sugar price at a minimum of 3,500 per quintal of sugar excluding taxes and to link up sugarcane crop with MGNREGA scheme to make available labour for the cultivation of the crop which coincided with this programme.